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# annual report 1966

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QUEBEC TRUST  
COMPANY





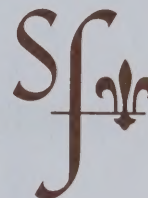
# QUEBEC TRUST COMPANY



## STATEMENT OF REVENUE AND EXPENDITURE for the year ended December 31, 1966

	1966	1965
<b>REVENUE:</b>		
Commissions, dividends and interest from Company's own funds	\$ 113,553	\$ 66,286
Dividends and interest (net) from guaranteed deposits . . . .	168,696	175,545
Fees . . . . .	130,197	75,991
Total revenue . . . . .	<u>\$ 412,446</u>	<u>\$ 317,822</u>
 <b>EXPENDITURE:</b>		
Office expenses . . . . .	\$ 115,388	\$ 82,244
Salaries and other employees' expenses . . . . .	464,139	310,467
Other expenses . . . . .	125,116	110,276
Total expenditure . . . . .	<u>\$ 704,643</u>	<u>\$ 502,987</u>
Excess of expenditure over revenue . . . . .	\$ 292,197	\$ 185,165
Deficit, beginning of year . . . . .	257,921	72,756
Deficit, end of year. . . . .	<u><u>\$ 550,118</u></u>	<u><u>\$ 257,921</u></u>

# QUEBEC TRUST COMPANY



## 1966: A YEAR OF CONSOLIDATION

During its third full year of operation the Company's gross income reached \$2.6 million, an increase of 17% over 1965. Assets at \$35.8 million were 14% above the previous year. Total assets under administration increased 46% during the year and stood at \$52.2 million at year end. In spite of these increases the consolidation of existing facilities has resulted into a deficit which is, however, in accordance with forecasts.

## NEW SERVICES

Following the creation in 1965 of the Fonds Desjardins, a mutual fund offered to individuals through Caisses populaires, a new Pooled Investment Fund for pension plans was launched in July 1966. A Real Estate Department was also organized in 1966 with representatives duly licensed by the Montreal Real Estate Board; this department offers the complete line of services in the real estate business: brokerage, management, appraisal, mortgages, etc.

## INCREASED CAPITALIZATION

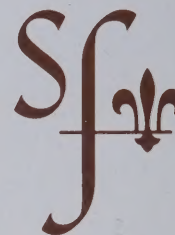
The Company is controlled by the "Caisses Populaires of the Province of Quebec" through Association Coopérative Desjardins. During the year the holding group undertook to raise \$3.5 million of additional capital from its shareholders; it is expected that Association Coopérative Desjardins will invest in the Company the larger proportion of the proceeds of the campaign thus increasing the paid-up capital of Quebec Trust to \$4.5 million during 1967.

## FINANCIAL HIGHLIGHTS

	1966	1965	Increase during year
Assets under Administration . . . . .	\$52,153,000	\$35,684,000	46%
Company's Assets. . . . .	35,890,000	31,303,000	14%
Guaranteed Deposits . . . . .	33,809,000	29,029,000	16%
Gross Income . . . . .	2,635,000	2,255,000	17%
Income before Operating Expenses . . . . .	412,000	318,000	29%
Fonds Desjardins			
Section "A" . . . . .	\$ 4,898,000	\$ 2,287,000	
Section "B" . . . . .	1,362,000	770,000	
	<u>\$ 6,260,000</u>	<u>\$ 3,057,000</u>	105%



# QUEBEC TRUST COMPANY



## BALANCE SHEET DECEMBER 31, 1966

### ASSETS

#### READILY REALIZABLE ASSETS:

##### Investments, at cost:

	1966	1965
Bonds — Provincial Governments . . . . .	\$ 4,023,018	\$ 1,840,817
Other bonds. . . . .	11,217,991	10,187,418
Common shares . . . . .	367,114	365,672
Total of securities . . . . .	15,608,123	12,393,907
(market value 1966: \$14,119,900 — 1965: \$11,835,300)		
Loans on collateral securities . . . . .	2,321,822	1,662,135
Notes and advances to Clients . . . . .	10,479,839	11,236,524
Cash . . . . .	419,810	317,667
Accounts receivable . . . . .	64,432	30,305
	<u>\$28,894,026</u>	<u>\$25,640,538</u>

#### OTHER ASSETS:

Mortgages . . . . .	\$ 6,755,482	\$ 5,493,601
Fixed assets at cost, less accumulated depreciation . . . . .	110,547	102,002
Deferred expenses . . . . .	49,518	66,986
	<u>\$35,809,573</u>	<u>\$31,303,127</u>

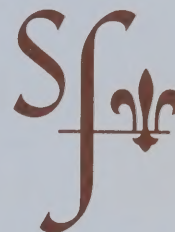
#### Signed on behalf of the Board

L.-ÉDOUARD MORIER }  
ERNEST GUIMOND } Directors

#### ASSETS UNDER ADMINISTRATION:

Funds and investments of clients under administration . . . . .	\$16,343,625	\$ 4,380,462
Company's own and guaranteed account assets . . . . .	35,809,573	31,303,127
	<u>\$52,153,198</u>	<u>\$35,683,589</u>

# QUEBEC TRUST COMPANY



## LIABILITIES AND SHAREHOLDERS' EQUITY

	1966	1965
<b>LIABILITIES:</b>		
Accounts payable . . . . .	\$ 35,466	\$ 17,292
Guaranteed deposits . . . . .	33,809,225	29,028,756
	<u>\$33,844,691</u>	<u>\$29,046,048</u>
<b>SHAREHOLDERS' EQUITY:</b>		
Capital stock:		
Authorized:		
50,000 common shares		
— \$100 par value		
Issued and partly paid:		
30,000 common shares . . . . .	\$ 3,000,000	\$ 3,000,000
Deduct: subscription receivable . . . . .	500,000	500,000
	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>
Fully paid:		
150 common shares . . . . .	15,000	15,000
	<u>\$ 2,515,000</u>	<u>\$ 2,515,000</u>
Deficit . . . . .	( 550,118)	( 257,921)
	<u>\$ 1,964,882</u>	<u>\$ 2,257,079</u>
	<u>\$35,809,573</u>	<u>\$31,303,127</u>

## AUDITORS' REPORT

We have examined the balance sheet of Quebec Trust Company as at December 31, 1966 and the related statement of revenue and expenditure and deficit for the fiscal year then ended and we have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

We have counted the securities of the company, clients and guaranteed accounts. Clients' accounts and guaranteed finds are kept separate from the company's own funds and are so earmarked in the books of the company as to show the accounts to which they belong.

In our opinion, according to the best of our information and the explanations given to us and as shown by the books of the company, the accompanying balance sheet and the statement of revenue and expenditure and deficit are properly drawn up to as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1966 and the results of its operations for the fiscal year then ended, and were prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

**SAMSON, BÉLAIR, CÔTÉ, LACROIX ET ASSOCIÉS**

Chartered Accountants.

Montreal, February 9, 1967.



# QUEBEC TRUST COMPANY



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